81-1367

2 June 1981

MEMORANDUM FOR: Deputy Director for Administration
                Comptroller

FROM: Director of Central Intelligence

SUBJECT: Cost Reduction and Efficiency

1. I have raised the question, but perhaps not urgently or forcefully enough, as to what this organization is doing to put a sharper focus on cost reduction and overall efficiency. I sat at a Cabinet meeting today and realized that the rest of the Government is working hard at this and thus far it is my impression that there is too much thinking here that we are immune from this requirement. The Transportation Department has a small committee, called CARE, for cost reduction and efficiency, and I am getting their material to see what ideas they have developed which we could pick up here.

2. Every Department of the Government has an Inspector General who is in charge of specifically looking for cost savings, waste and fraud. I am impressed with the work our Inspector General is doing in questioning and making recommendations on operations. I would like to see whether a sharper focus can be put on costs, waste and inefficiency.

3. At the Cabinet meeting this morning, attention was directed to reverse the bureaucratic syndrome where the more you spend, the larger you get, the more important you are. This would mean that if the reduction in the costs of getting things done were not pressing enough, the better chance you would have of getting additional resources needed to tackle new tasks and problems.

4. Another thing to be examined is whether cost saving is sufficiently recognized in making awards. I have asked for a review of publications and, as far as I know, have not gotten a response. I would like you to get together and give me a report on what has been done in this direction and a set of comprehensive recommendations on what we should be initiating now.

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                                        William J. Casey

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